

Message Text

CONFIDENTIAL

PAGE 01 STATE 192940

63

ORIGIN IO-03

INFO OCT-01 ISO-00 /004 R

66011

DRAFTED BY: IO:JACAHILL:AT

APPROVED BY: IO:RDMOREY

----- 005500

P 041733Z AUG 76

FM SECSTATE WASHDC

TO AMEMBASSY BRASILIA PRIORITY

AMEMBASSY CARACAS

C O N F I D E N T I A L STATE 192940

FOR ASSISTANT SECRETARY LEWIS

FOLLOWING REPEAT GENEVA 6232 ACTION SECSTATE INFO USUN NEW YORK
OECD PARIS EC BRUSSELS CARACAS COLOMBO ISLAMABAD MEXICO 03 AUG 1976

QUOTE C O N F I D E N T I A L GENEVA 6232

FROM ECOSOC DEL

E.O. 11652: GDS

TAGS: EGEN CIEC

SUBJECT: G-77 VIEWS ON CIEC AND THE BHUTTO PROPOSAL

REF: STATE 186433

1. SUMMARY: A VARIETY OF G-77 COMMENTS RECEIVED BY USDEL
ECOSOC ON THE REASONS FOR THE CIEC BREAKDOWN INDICATE THAT THE
WORDING OF THE WORK PROGRAMS WAS THE IMMEDIATE PRETEXT BUT THAT
THE BASIC CONTEXT FOR A DEADLOCK HAD ALREADY BEEN CREATED. WE
REPORT HERE VARIOUS THESES WE HAVE HEARD FROM G-77 SOURCES,
INCLUDING FRUSTRATION OVER CIEC, ELIPSE BY UNCTAD IV, PEREZ
GUERRIRO'S G-77 CREDENTIALS THE G-19/G-77 RELATIONSHIP, U.S.
ELECTIONS, ETC. WE GATHER THERE CONTINUE TO BE LITTLE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 192940

POSITIVE RESPONSE TO BHUTTO'S THIRD WORLD SUMMIT PROPOSAL,

DESPITE THE PAKISTANI DELEGATION'S VIGOROUS EFFORTS TO PROVIDE THE RATIONALE BY PAINTING A PICTURE OF GLOOM. SEEMINGLY INVOLVED ARE BASIC SCEPTICISM AND RESERVATIONS (INCLUDING THOSE OF THE NO-ALIGNED LEADERSHIP) PLUS A "WAIT AND SEE" ATTITUDE VIS-AVIS THE COLOMBO AND MEXICO CITY CONFERENCES. END SUMMARY.

2. IN RESPONSE TO REFTEL QUERY, WE DO NOT HAVE A VERY CLEAR OR COMPLETE PICTURE FROM HERE REGARDING G-77 VIEWS ON THE UNDERLYING REASONS FOR THE CIEC IMPASSE. THE SAME GOES FOR G-77 ATTITUDES TOWARD BHUTTO'S SUMMIT PROPOSAL. WE HAVE, NEVERTHELESS, PICKED UP A NUMBER OF COMMMENTS AND IMPRESSIONS IN BOTH ABIDJAN AND GENEVA WHICH MAY BE OF INTEREST.

3. THE ONE POINT THAT SEEMS TO COME THROUGH THE VARIOUS COMMENTS ON CIEC IS THAT THE ACTUAL DEADLOCK OVER THE WORDING OR WORK PROGRAMS WAS THE SURFACE REASON -- OR AT LEAST THE IMMEDIATE PRETEXT -- SINCE THE CONTEXT FOR A STALEMATE HAD ALREADY BEEN CREATED. THESE ARE THE PRINCIPLE REASONS (SOME UNDOUBTEDLY SPECULATIVE) WE HAVE HEARD:

A. THERE WAS A GENERALIZED FEELING OF FRUSTRATION AT THE LACK OF ANY SIGN OF CONCRETE BENEFIT FOR THE LDCS COMING OUT OF THE CIEC EXERCISE.

B. UNCTAD IV TOOK MUCH OF THE HEART OUT OF CIEC'S WORK PROGRAM BY ESTABLISHING WORK PROGRAMS ON COMMODITIES AND ON SCIENCE AND TECHNOLOGY, LEAVING CIEC PRINCIPALLY WITH THE DEBT PROBLEM ON WHICH THE LDCS SAW NO COMMITMENT BY MAJOR WESTERN COUNTRIES -- THUS ASSURING A FIGHT OVER THE WORK PROGRAM AND DEBT. (ENERGY WORK TENDS TO BE DISMISSED AMONG THE G-77 MEMBERS WE DEAL WITH AS OF LITTLE INTEREST AND UNLIKELY TO GIVE THEM ANYTHING OF VALUE.)

C. PEREZ GUERRERO IS IN SOME DIFFICULTY, HAVING COME HERE FROM PARIS TO GIVE THE G-77 A FAIRLY OPTIMISTIC ASSESSMENT FOLLOWING THE CIEC HIGH LEVEL OFFICIALS MEETING PRIOR TO THE COMMISSION MEETINGS WHICH ENDED IN DEADLOCK. HIS REPORT (AS WELL AS GAMANI COREA'S REPORT OF UNCTAD) MET WITH A COLD RECEPTION BY MOST OF THE G-77 WHO FELT HE WAS DECIDEDLY TOO OPTIMISTIC. AS A RESULT PEREZ-GUERRERO PROBABLY

CONFIDENTIAL

PAGE 03 STATE 192940

CONCLUDED HE HAD TO BE TOUGH TO PRESERVE HIS CREDENTIAL WITH THE G-77. MOST OF OUR CONTACTS BELIEVE THE ARGUMENT OF MAINTENANCE OF VALUE WAS A SECONDARY CONSIDERATION IN PRODUCING THE PARIS DEADLOCK AT THIS STAGE.

D. THE G-19 HAD TO SHOW THEIR METTLE ON THE EVE OF THE COLOMBO NON-ALIGNED CONFERENCE AND THE MEXICO CITY G-77 CONFERENCE.

E. SOME MEMBERS OF THE G-77 HAVE CONCLUDED THAT NOT MUCH MORE CAN HAPPEN IN CIEC THIS YEAR NOT ONLY BECAUSE OF THE UNCTAD WORK PROGRAM BUT ALSO BECAUSE OF THE U.S. ELECTIONS. (AS A MATTER OF FACT, THE CANADIAN REP, WHO CAME TO THIS ECOSOC SESSION FROM THE CIEC HIGH LEVEL OFFICIALS MEETING, HAS ATTEMPTED TO CONVINCE SELECTED MEMBERS OF THE G-77 NOT TO EXPECT TOO MUCH OF CIEC BEFORE EARLY NEXT YEAR BECAUSE OF BOTH THE U.S. AND GERMAN ELECTIONS).

F. ONE G-77 DELEGATE SPECULATED THAT THE OPEC COUNTRIES ARE NOT ANXIOUS TO PIN OUT CIEC SINCE IT IS DIFFICULT FOR THEM TO RAISE OIL PRICES SUBSTANTIALLY WHILE CIEC GOES ON.

4. COMMENT: WHICH OF THESE EXPLANATIONS ARE FUNDAMENTAL, WHICH ARE SUPERFICIAL, AND WHICH ARE MADE UP OUT OF WHOLE COLTH WE HERE CANNOT JUDGE -- BUT WE DO THINK THE DYMANICS OF THE G-19/G-77 RELATIONSHIP, INCLUDING PEREZ-GUERRERO'S POSITION, IS AN IMPORTANT ELEMENT.

5. ON BHUTTO'S THIRD WORLD SUMMIT PROPSAL, WE GET THE GENERAL IMPRESSION THERE CONTINUES TO BE LITTLE POSITIVE RESPONSE TO FAR FROM G-77 COUNTRIES. SOME OF OUR CONTACTS ARE FRANKLY CYNICAL. AS PREVIOUSLY REPORTED, WE HAD THIS IMPRESSION DURING THE ABIDJAN PORTION OF THIS ECOSOC SESSION. PAKISTAN TRIED TO BUILD INTO THE G-77 DRAFT "DECLARATION OF AGIDJAN" (LATER CONVERTED INTO A G-77 POSITION PAPER) LANGUAGE ENDORSING THE BHUTTO SUMMIT PROPOSAL ALONG WITH THE NON-ALIGNED COLOMBO CONFERENCE AND THE MEXICO CITY G-77 CONFERENCE. THIS MET WITH A COLD SHOULDER FROM OTHER G-77 MEMBERS, RESULTING IN A BLAND SENTENCE NOTING THE INTENTION TO HOLD FUTURE (UNNAMED) MEETINGS AT VARIOUS LEVELS INCLUDING THE HIGHEST LEVEL. THERE WAS SPECULATION THAT ESTABLISHED CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 192940

NON-ALIGNED LEADERS DID NOT WANT TO SEE THEIR COLOMBO CONFERENCE UPSTAGED, NOR DID THEY WANT TO SEE BHUTTO PREEMPT A POSITION OF LEADERSHIP.

6 IN A RECENT CONVERSATION THE MEXICAN REP TO ECOSOC, WHO ALSO CONFIRMED THE LACK OF RESPONSE TO BHUTTO'S INITIATIVE, CONSIDERED IT TO BE NON-COMPETETIVE WITH THE MEXICO CITY CONFERENCE, WHICH HE SAID WILL REMAIN WITHIN THE PLANNED FRAMEWORK OF ECONOMIC AND TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES. IN HIS VIEW THE REAL DECISION ON BHUTTO'S PROPOSAL WILL BE MADE AT COLOMBO.

7. ON THE OTHER HAND, ANOTHER LATIN AMERICAN AMBASSADOR UNDERSTOOD THAT THE MEXICO CITY CONFERENCE WOULD INDEED GO BEYOND THIS FRAMEWORK BY TAKING UP THE WHOLE QUESTION OF

STRENGTHENING G-77 INSTITUTIONAL AND TACTICAL SOLIDARITY, INCLUDING THE POSSIBILITY OF ESTABLISHING A PERMANENT G-77 SECRETARIT (PROSPECT THIS PARTICULAR AMBASSADOR DID NOT RELISH). ALSO CONFIRMING THE ABSENCE OF MUCH DISCUSSION HERE OF THE BHUTTO PROPOSAL, HIS VIEW WAS THAT A DECISION ON IT WOULD HAVE TO AWAIT BOTH THE COLOMBO AND MEXICO CITY CONFERENCE.

8. FROM ABIDJAN WE REPORTED SPECULATION THAT THE HARD, PESSIMISTIC LINE BEING TAKEN BY THE PAKISTANI DELEGATION WAS DESIGNED TO ESTABLISH THE THESIS OF WESTERN UNRESPONSIVENESS AND HENCE TO HELP PROVIDE THE RATIONALE FOR THE SUMMIT. THE PAKISTANI DELEGATION DURING THE GENEVA PART OF THIS ECOSOC SESSION HAS CONTINUED TO PAINT A PICTURE OF GLOOM. NONE OF THE FOREGOING, HOEVER, HAS CAUSED THE G-77 HERE TO PART COMPANY WITH THE PAKISTANIS ON THE BASIC NORTH-SOUTH SITUATION, AND THE PAKISTANI DELEGATION CONTINUES TO PLAY A PROMINENT ROLE IN VARIOUS ISSUES BEFORE THIS ECOSOS SESSION. NEVERTHELESS, A SENIOR INDIAN REPRESENTATIVE TOLD US HE HAD ADVISED THE PAKISTANI DELEGATION THEY WERE MAKING A TACTICAL MISTAKE IN CLAIMING THAT ABSOLUTELY NOTHING WAS BEING DONE FOR THE LDCS -- THE DEVELOPED COUNTRIES WERE LIKELY TO SAY THE HELL WITH IT. CATTO UNQUOTE HABIB

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, COMMITTEE MEETINGS, PLANNING MEETINGS, PROPOSALS (BID), SUMMIT MEETINGS, GOVERNMENT REACTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 04 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE192940
Document Source: CORE
Document Unique ID: 00
Drafter: IO:JACAHILL:AT
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760300-0897
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760886/aaaacycr.tel
Line Count: 191
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN IO
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 STATE 186433
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 08 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 APR 2004 by CunninFX>; APPROVED <04 AUG 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: G-77 VIEWS ON CIEC AND THE BHUTTO PROPOSAL
TAGS: EGEN, BR, CIEC
To: BRASILIA CARACAS
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006